বিদ্যাসাগর বিশ্ববিদ্যালয়

VIDYASAGAR UNIVERSITY

MBA Examinations 2020
Semester IV

Subject: International Financial Management
(Specialization: Finance)

Paper Code: MBA- 401 for Minor/ MBA- 402 for Major

Full Marks: 80 **Time: 3hrs.**

Candidates are required to give their answers in their own words as far as practicable.

Answer any one of the following:

1. Briefly discuss the different international factors that influence the financial environment of a country.

2. What is SDR? Discuss the role of SDR in international trade.

3. Distinguish between Absolute Advantage theory and Comparative Advantage theory of international trade

4. Briefly discuss the role of different participants in the foreign exchange market. Mention the differences between the Arbitragers and Speculators.

5. Discuss the causes of disequilibrium in the Balance of Payment (BOP).

6. a) Mention the features of forward contract.

b) Calculate ₹/ € rates from the following data:

	Spot	One-month forward	Three-month forward
US $/ €	1.2000/ 50	40/ 35	100/ 80
₹ / US $	44.5000/ 700	100/ 150	300/ 550

7. Distinguish between (a) Bid Rate and Ask Rate, b) Direct and Indirect Quotation of a currency.
8. Discuss the role of IMF in promoting international trade.
9. Discuss about the various issues that companies confront in the case of project financing decisions.
10. What is the importance of working capital management for corporate houses?
11. Describe the term ‘options’. How are call options and put options used for the purpose of hedging?
12. Explain the term ‘forward contracts’. How can they be used for the purpose of hedging exchange risk?